



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice today filed a civil antitrust suit challenging the April, 1980, acquisition of the Home-Crete Division of G. & W. H. Corson Inc. of Plymouth Meeting, Pennsylvania, by the Flintkote Company of Stamford, Connecticut.

Attorney General Benjamin R. Civiletti said that the suit was filed in U.S. District Court in the District of Columbia.

Sanford M. Litvack, Assistant Attorney General in charge of the Antitrust Division, said that the complaint alleges that the transaction violated Section 7 of the Clayton Act.

The complaint names as defendants Flintkote, Corson and IU International Corp. of Philadelphia, Pennsylvania. Corson is a subsidiary of IU International.

Before the acquisition, Corson's Home-Crete Division was the second largest manufacturer of dry-mixed concrete products in the northeastern United States, and Flintkote was the largest. Dry-mixed concrete products are primarily used to bond bricks, to repair concrete and to build small concrete structures.

The complaint alleges that competition between Flintkote and Corson has been eliminated in the Washington-Baltimore and Philadelphia-New York areas. After the acquisition, Flintkote's share of the Washington-Baltimore market was over 90 percent. In the Philadelphia-New York market, Flintkote's post-acquisition market share was over 70 percent.

In 1979, Corson sold approximately \$2.1 million of dry-mixed concrete products, and Flintkote's sales were approximately \$15.5 million.

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The complaint asks that Flintkote be ordered to divest itself of Corson's Home-Crete Division or, in the alternative, that the transaction be rescinded.

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